

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7537

BILL NUMBER: SB 441

NOTE PREPARED: Jan 11, 2005

BILL AMENDED:

SUBJECT: Tax abatement allocation.

FIRST AUTHOR: Sen. Server

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires the county auditor in Vanderburgh County to reallocate the property tax abatements and enterprise zone inventory credits in the county among the townships based upon each township's proportional share of the county's total assessed value. It requires the county auditor to subtract the amount of the township's allocation from the township's total assessed value for purposes of determining the township's tax rate.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: The bill reallocates abatements and Enterprise Zone inventory credits in Vanderburgh County based on the proportion the township assessed valuation is to the county assessed value of property. The bill would shift the impact of current abatements from one township to another in the county. The following chart shows what the shift would have been for CY 2004.

Vanderburgh Township Tax Rates

	Current Tax Rate	Current AV	Current Abatements	Reallocated Abatements	New AV	New rate	Rate Change
Armstrong Township	0.0749	71,838,451	17,881,850	31,773,779	57,946,522	0.0929	0.0180
Center township	0.0432	1,149,300,926	394,796,670	508,329,915	1,035,767,681	0.0479	0.0047
German Township	0.051	299,709,804	82,832,430	132,560,112	249,982,122	0.0611	0.0101
Perry Township	0.0591	594,241,963	209,636,950	262,830,178	541,048,735	0.0649	0.0058
Knight Township	0.0645	557,896,124	594,120,720	246,754,599	905,262,245	0.0398	(0.0247)
Pigeon Township	0.1761	570,067,007	228,281,980	252,137,719	546,211,269	0.1838	0.0077
Scott Township	0.1167	442,841,474	108,516,220	195,866,516	355,491,177	0.1454	0.0287
Union Township	0.1249	18,514,011	2,374,650	8,188,652	12,700,009	0.1821	0.0572
Total		3,704,409,760	1,638,441,470	1,638,441,470	3,704,409,760		

State Agencies Affected:**Local Agencies Affected:** Vanderburgh County Townships.**Information Sources:****Fiscal Analyst:** Chuck Mayfield, 317-232-4825.